

EXHIBIT I

I. INSURANCE REQUIREMENTS

The Concessioner will obtain and maintain during the entire term of this CONTRACT, at its sole cost and expense, the types and amounts of insurance coverage necessary to fulfill the obligations of the CONTRACT.

All insurance coverage provided for the benefit of, or evidenced to the Service is not to be impaired by any act of the Concessioner, its agents, servants, or employees. The Concessioner will ensure that its insurance carriers provide that the Service, solely for its benefit, ***an unconditional 30 day advance*** notice of cancellation, non-renewal, or material change in coverage or policy terms for all coverage issues.

The amounts of insurance, limits of liability and coverage terms indicated ***are not intended as a limitation*** of the Concessioner's responsibility or liability under the CONTRACT, but rather an indication as to the minimum type(s), amount(s), and scope of insurance that the Service considers necessary to allow the operation of the concession at its park. Nevertheless, if the Concessioner purchases insurance in addition to the limits illustrated herein, the Service will receive the benefit of the additional amounts of insurance without additional cost to the Service.

II. LIABILITY INSURANCE

The Concessioner will maintain the following minimum Liability Coverages all of which, unless noted herein, are to be written on an occurrence basis only.

A) **Commercial General Liability Insurance**

- 1) Coverage will be provided for bodily injury, property damage, contractual liability, personal or advertising injury liability (including contractual liability arising out of personal injury and advertising injury liability) and products/completed operations liability insurance protection.

Bodily Injury and Property Damage Limit

(1) General Aggregate	\$5,000,000
(2) Products & Completed Operations Aggregate	\$5,000,000
(3) Per Occurrence	\$5,000,000
(4) Personal Injury & Advertising Injury Liability	\$5,000,000
(5) Medical Payments	\$5,000

(6) Fire Damage Legal Liability “per fire” \$50,000

2) The liability coverages may not contain the following exclusions/limitations:

- (a) Athletic or Sports Participation
 - (b) Products/Completed Operations
 - (c) Personal Injury or Advertising Injury exclusion or limitation
 - (d) Contractual Liability limitation (must specifically reference the Service contract number)
 - (e) Explosion, Collapse and Underground Property Damage exclusion
 - (f) Watercraft limitations affecting the use of watercraft in the course of the Concessioner’s operations (unless separate Watercraft coverage is maintained)
- 3) Pollution liability insurance coverage must be included for damages resulting from smoke, fumes, vapor, or soot, or other contaminants from a hostile fire.
- 4) If the policy insures more than one location, the General Aggregate limit must be amended to apply separately to each location.

B) Automobile Liability Insurance

Coverage will be provided for bodily injury or property damage arising out of the ownership, maintenance or use of “any auto,” Symbol 1. Where there are no owned autos, coverage will be provided for “hired” and “non-owned” autos, “Symbols 8 & 9”.

Bodily Injury and Property Damage (combined): \$1,000,000 per occurrence/accident.

C) Liquor Liability

Coverage will be provided for bodily injury or property damage including damages for care, loss of services, or loss of support arising out of the selling, serving, or furnishing of any alcoholic beverage.

Each Common Cause Limit	\$500,000
Aggregate Limit	\$1,000,000

D) Watercraft Liability (or Protection & Indemnity)

Coverage will be provided for bodily injury or property damage arising out of the use of any watercraft.

Each Occurrence Limit	\$5,000,000
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E) Aircraft Liability

Coverage will be provided for bodily injury or property damage arising out of the use of any aircraft.

Each Person Limit	\$ N/A
Property Damage Limit	\$ N/A
Each Accident Limit	\$ N/A

F) Garage Liability (Not Applicable)

This coverage is not required, but may be used in place of Commercial General Liability and Auto Liability coverages for some operations where auto repair or maintenance is provided. Coverage will be provided for bodily injury, property damage, personal or advertising injury liability arising out of garage operations (including products/completed operations and contractual liability) as well as bodily injury and property damage arising out of the use of automobiles.

Each Accident Limit – Garage Operations	\$_____
Any Auto Only	\$_____
Other Than Auto Only	\$_____
Personal Injury & Advertising Injury Limit	\$_____
Fire Damage Legal Liability “per fire”	\$_____
Aggregate Limit – Garage Operations	\$_____
Aggregate Limit – Garage Operations	\$_____
Other Than Auto Only	\$_____
Physical Damage (Coll & Comp)	\$_____

If owned vehicles are involved, Liability coverage should be applicable to “any auto” (“Symbol 21”) otherwise, coverage applicable to “hired” and “non-owned” autos (“Symbols 28 & 29”) should be maintained.

G) Environmental Impairment Liability

Coverage will be provided for bodily injury, personal injury or property damage arising out of pollutants or contaminants (on site and/or off site).

Each Occurrence or Each Claim Limit	\$1,000,000
Aggregate Limit	\$5,000,000

H) Excess Liability or Excess “Umbrella” Liability**Bodily Injury/Personal Injury & Property Damage Combined:**

As an option, the concessioner may purchase an excess liability/umbrella insurance policy to satisfy the required limits of liability under the CONTRACT. If the Concessioner elects this option, the umbrella/excess policy form must comply with the following requirements:

- 1) The limit of liability or sub-limit of liability should be at least as broad as the limit of liability required for each coverage part under this exhibit.
- 2) The inception dates of the underlying policies and the excess policy must be identical. A copy of the excess or umbrella policy's schedule of underlying insurance must be included as part of the Certificate of Insurance submitted to the Service.
- 3) The coverage provided by the policy must be at least as broad as that provided by the underlying insurance policies outlined on the schedule of underlying insurance.
- 4) If the limits of liability afforded by the excess or umbrella policy result in limits of liability greater than the limits required within the individual sections hereunder, then the greater limit shall be available to the Service.

I) Special Provisions for Use of Aggregate Policies

If at any time the aggregate limit of any required policy is (or if it appears that it will be) reduced or exhausted, the Concessioner may be required to reinstate such limit or purchase additional coverage limits. The General Aggregate under the Commercial General Liability policy must apply on a “per location” basis. The Certificate of Insurance required herein will note compliance with this aggregate provision.

J) Self-Insured Retentions

Self-insured retentions on any of the above described Liability insurance policies (other than Excess “Umbrella” Liability, if maintained) may not exceed \$5,000 without prior approval of the Director.

K) Workers Compensation & Employers' Liability

Coverage will comply with the statutory requirements of the state(s) in which the Concessioner operates. The state(s) of concession operations must be specifically included for coverage under the policy.

III. PROPERTY INSURANCE

A) Building(s) and/or Contents Coverage

- 1) Amount of Insurance (Building): 100% of replacement value (without deduction for physical depreciation) as listed in Exhibit D.
- 2) Amount of Insurance (Contents): 100% of replacement value (without deduction for physical depreciation).
- 3) Amount of Insurance (Inventory): 100% of replacement value (without deduction for physical depreciation).
- 4) Insurance will cover buildings, structures, improvements and betterments and/or contents for all Concession Facilities, as more specifically described in Exhibit D of this CONTRACT.
- 5) Coverage will apply on an "All Risks" or "Special Coverage" basis.
- 6) The policy will provide for loss recovery on a replacement value (without deduction for physical depreciation) basis.
- 7) Blanket coverage is to be provided for real and personal property.
- 8) The coinsurance provision, if any, will be waived or suspended by an Agreed Amount or Agreed Value clause.
- 9) Wharves and piers endorsement required.
- 10) The vacancy and unoccupancy restriction, if any, must be eliminated for property that will be vacant or unoccupied beyond any time period specified in the policy.
- 11) Flood Coverage shall be maintained at the maximum limit available not to exceed 100% replacement value (without deduction for physical depreciation).
- 12) Earthquake Coverage shall be maintained at the maximum limit available not to exceed 100% replacement value (without deduction for physical depreciation).
- 13) Ordinance or Law, demolition and increased cost of construction Coverage shall be maintained with a limit of not less than the building replacement value (without deduction for physical depreciation) listed in Exhibit D.

B) Boiler & Machinery Coverage (Not applicable)

- 1) Insurance will apply on the "comprehensive" basis of coverage including all objects within the Concession Facilities. Production equipment is to be included if applicable.
- 2) The policy will provide for loss recovery on a replacement value (without deduction for physical depreciation) basis.
- 3) The amount of insurance must represent no less than 100% of the replacement value (without deduction for physical depreciation) of the sum total of all insured property.

- 4) The coinsurance provision, if any, must be waived or suspended by an Agreed Amount or Agreed Value clause.
- 5) Coverage is to be provided on a blanket basis.
- 6) If insurance is written with a different insurer than the Building(s) and Contents insurance, both the Property and Boiler insurance policies must be endorsed with a joint loss agreement.
- 7) Ordinance or Law, demolition and increased cost of construction Coverage must be maintained with a limit of not less than the building replacement costs listed in Exhibit D.

C) Builders Risk Coverage (Only required for new construction or major renovations)

- 1) Insurance is required for all new construction or major renovations of existing buildings at the concession facilities and will continue in force until the property is accepted by the Service. The coverage must include property that has or will become a part of the project while such property is at the project site, at temporary off-site storage and while in transit. Coverage also applies to temporary structures such as scaffolding and construction forms.
- 2) Coverage applies on an "All Risk of loss" or "Special Coverage" basis.
- 3) The policy will provide for loss recovery on a replacement value (without deduction for physical depreciation) basis.
- 4) Coverage must be arranged using the "completed value" alternative.
- 5) The amount of insurance must represent no less than 100% of the replacement value (without deduction for physical depreciation) of the insured property.
- 6) The coinsurance provision, if any, must be waived or suspended by an Agreed Amount or Agreed Value clause.
- 7) Any occupancy restriction must be eliminated.
- 8) Any collapse exclusion must be eliminated.
- 9) Any exclusion for loss caused by faulty workmanship must be eliminated.
- 10) Flood Coverage must be maintained at the maximum limit available not to exceed the replacement value (without deduction for physical depreciation).
- 11) Earthquake Coverage must be maintained at the maximum limit available not to exceed the replacement value (without deduction for physical depreciation).

D) Business Interruption and/or Expense (Not Applicable)

- 1) Business Interruption insurance and extra expense insurance must cover the loss of income and continuation of fixed expenses in the event of damage to or loss of Concession Facilities or any property supporting the Concession operations, including, without limitation and with respect to the interests of the Service, the loss (or reduction) of franchise fee payments to the Service by the Concessioner. Extra Expense insurance will cover the extra expenses above normal operating expenses to continue operations in the

event of damage or loss to covered property. The coverage to be provided can be calculated as follows:

Anticipated annual Gross revenue from operations	\$ _____
Less non-continuing expenses	(\$ _____)
Business Interruption limit	\$ _____
Business Interruption limit	\$ _____

E) Deductibles

Property Insurance coverages described above may be subject to deductibles as follows:

- 1) Direct Damage deductibles must not exceed the lesser of 10% of the amount of insurance or \$25,000 (except Flood & Earthquake coverage may be subject to deductibles not exceeding \$50,000).
- 2) Extra Expense deductibles (when coverage is not combined with Business Interruption) shall not exceed \$25,000.

F) Required Clauses

1) Loss Payable Clause:

A loss payable clause similar to the following must be added to Buildings and/or Contents, Boiler and Machinery, and Builders Risk policies:

“In accordance with Concession Contract No. _____ dated _____, between the United States of America and [*the Concessioner*] payment of insurance proceeds resulting from damage or loss of structures insured under this policy is to be disbursed directly to the Concessioner without requiring endorsement by the United States of America.”

IV. CONSTRUCTION PROJECT INSURANCE (Not applicable)

Concessioners entering into contracts with outside contractors for various construction projects, including major renovation projects, rehabilitation projects, additions or new buildings/facilities must ensure that all contractors retained for such work maintain an insurance program that adequately covers the construction project.

The insurance maintained by the construction and construction-related contractors must comply with the insurance requirements stated herein (for Commercial General Liability, Automobile Liability, Workers' Compensation and, if professional services are involved, Professional Liability). Except for the workers' compensation insurance coverage, the interests of the Concessioner and the United States must be covered in the same fashion as required in the other provision of this exhibit. The amounts/limits of the required coverages must be determined in consultation with the Director taking into consideration the scope and size of the project.

V. INSURANCE COMPANY MINIMUM STANDARDS

All insurance companies providing the above described insurance coverages must meet the minimum standards set forth below:

- 1) All insurers for all coverages must be rated no lower than A- by the most recent edition of A.M Best's Key Rating Guide (Property-Casualty edition).
- 2) All insurers for all coverages must have a Best's Financial Size Category of at least VII according to the most recent edition of A.M. Best's Key Rating Guide (Property-Casualty edition).
- 3) All insurers must be admitted (licensed) or approved to do business in the state(s) in which the concession operation(s) is (are) located.

VI. CERTIFICATES OF INSURANCE

All certificates of Insurance required by this CONTRACT must provide sufficient detail to allow easy identification of the coverages, limits, and coverage amendments described above. In addition, the insurance companies must be accurately listed along with their A.M. Best Identification Number ("AMB#"). The name, address and telephone number of the issuing insurance agent or broker must be clearly shown on the certificate of insurance.

Due to the space limitations of most standard certificates of insurance, it is expected that an addendum will be attached to the appropriate certificate(s) in order to provide the space needed to show the required information.

In addition to providing certificates of insurance, the Concessioner, upon written request of the Director, will provide the Director with a complete copy of any of the insurance policies (or endorsements thereto) required herein.

The Certificate of Insurance will contain a notation that the insurance coverage represented therein complies with the provisions of this CONTRACT as outlined in this Exhibit I.

The **notice of cancellation provision** of the certificate must delete any and all qualifying language such as: *"We will endeavor to provide"* or *"failure to provide said notice will not place any liability upon the company or its representative."*

VI. STATUTORY LIMITS

In the event that a statutorily required limit exceeds a limit required herein, the higher statutorily required limit will be the minimum amount to be maintained. In the event that the statutorily required limit is less than the limits required herein, the limits required herein shall control.